

August 23, 2010

VIA ELECTRONIC FILING

Jocelyn Boyd, Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

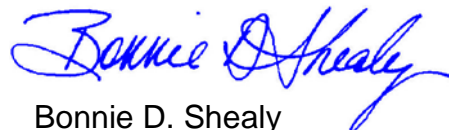
**Re: WiMacTel, Inc. Application for Local Exchange and Long Distance
Certification
Case No. 2010-225-C**

Dear Jocelyn:

Enclosed for filing please find the Direct Testimony of Alvaro Quiros on behalf of WiMacTel, Inc. in the above-referenced docket. By copy of this letter, we are serving the same on all parties of record. Should you have any questions, please contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

/bds
Enclosures

cc/enc: Randall Dong, Hearing Examiner (via email & U.S. Mail)
Shannon Bowyer Hudson, ORS Staff Attorney (via email & U.S. Mail)
Margaret M. Fox, Esquire (via email & U.S. Mail)
Mr. Alvaro Quiros
Mr. Tom Forte (via email)
Mr. James MacKenzie (via email)

**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2010-225-C

Application of WiMacTel, Inc. for a Certificate of)
Public Convenience and Necessity to Provide)
Facilities Based Local Exchange and Resold Long)
Distance Telecommunications Services and For)
Flexible Regulation of its Local Exchange Services)
and Alternative Regulation of its Long Distance)
Service Offerings)

**WiMacTel, Inc.
("WiMacTel" or "Applicant")**

Testimony of

**Alvaro Quiros
Vice President & Chief Marketing Officer**

1 **Q. Will you please state your name and business address.**

2 A. My name is Alvaro Quiros and my business address is 1882 Porter Lake Drive, Suite
3 101, Sarasota, FL 34240. My telephone number is (888) 476 - 0881.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am the Vice President and Chief Marketing Officer of WiMacTel, Inc. ("WiMacTel" or
7 "Applicant")

8
9 **Q. Please give a brief description of your background and experience.**

10 A. I have accumulated many years of relevant telecommunications experience as evidenced
11 by my resume, which is included under Exhibit D of the application. In the various
12 positions I have held I have a depth of experience in analyzing and developing marketing
13 strategies. I have been involved in the public communications industry for over 18 years
14 and have extensive knowledge and understanding of the payphone business case and life
15 cycle management.

16
17 **Q. What is the purpose of your testimony?**

18 A. I am offering testimony in support of WiMacTel's application for Authority to Provide
19 Telecommunications Services throughout the State of South Carolina.

20
21 **Q. Has WiMacTel registered to do business in South Carolina?**

22 A. Yes. WiMacTel has authorization to conduct business in South Carolina. A copy of the
23 Secretary of State was attached to the Company's application in Exhibit A.

24
25 **Q. Please explain the Company's corporate structure.**

26 A. WiMacTel is a corporation organized under the laws of the State of Delaware. The
27 company is a wholly owned subsidiary of QuorTech Equities, Ltd. which is located in
28 Calgary and Alberta, Canada.

29
30 **Q. Please describe the services WiMacTel proposes to offer.**

31 A. WiMacTel proposes to offer direct dial long distance and competitive local exchange

1 local service to owners of aggregator locations throughout the state. Additionally the
2 company plans to offer alternative operator services to End Users of these specific
3 aggregator locations.
4

5 **Q. Does WiMacTel own any network switches or transmission facilities used in routing**
6 **calls?**

7 A. The Company will utilize different methods for providing services based upon the nature
8 of the service. The Company will utilize the ILEC or 2nd Tier Certificated CLECs as the
9 underlying carrier for local exchange services and will rely on the expertise of these
10 providers. The Company will utilize certificated interexchange carriers for originating
11 and terminating transport for long distance and operator service calls provided by the
12 Company from aggregator locations. Calls will be routed by these carriers to the
13 Company's switch for switching and recording and relying on its own expertise for these
14 services.
15

16 **Q. How will WiMacTel bill for its services?**

17 A. The Company will bill end user services via credit card or via LEC billing through a
18 billing agent. The company will bill aggregator location owners directly for all
19 presubscribed long distance services from the various aggregator locations.
20

21 **Q. How are trouble reports handled?**

22 A. Trouble reports for local exchange service will be handled by the company's underlying
23 carrier, whether it be AT&T or a 2nd tier provider. All long distance trouble issues will
24 be reported to the Company's operator service center via the company's toll free customer
25 service number provided above.
26

27 **Q. How are billing errors and complaints handled?**

28 A. The Company's billing agent will be the initial point of contact for operator service calls
29 billed through the LEC. If the complaint is something that the agent cannot handle they
30 will escalate the call to WiMacTel so that the Company's customer service representative
31 can handle the customers issues. The Customer Service Department will be open 24

1 hours per day, 7 days per week.

2
3 **Q. How will WiMacTel market its services in South Carolina?**

4 A. The company will directly market its services to aggregator location owners throughout
5 the state via direct marketing only. The company will do no telemarketing at any time
6 within the state.

7
8 **Q. Describe the proposed WiMacTel South Carolina tariffs.**

9 A. WiMacTel's tariff provides the rates and services the company plans on offering to the
10 various users within the state. As stated earlier in this testimony the company will
11 provide the direct dial long distance and local exchange service to aggregator location
12 owners. The long distance service offered by the company will be billed to the
13 aggregator location owner as the owner and not the end user utilizing the coin payment
14 options of the location. The Company will also be the provider of alternative operator
15 services from these same aggregator locations and bill based upon the information
16 provided above.

17
18 **Q. Where is WiMacTel currently certificated?**

19 A. The company is currently authorized to provide interexchange resold service within
20 Texas.

21
22 **Q. Does WiMacTel currently have pending applications to provide service in any other
23 states at this time?**

24 A. Yes, the company has applications pending in various states as detailed on the
25 certification status report that is attached as Exhibit 1 of my testimony. Additionally,
26 WiMacTel plans on filing applications in all states before the end of 2010.

27
28 **Q. Describe WiMacTel's financial ability to operate as a telecommunications provider.**

29 A. WiMacTel is financially qualified to possess a license to provide basic local exchange
30 service. WiMacTel has access to the financing and capital necessary to operate facilities
31 on a resold basis, and to hire and train the personnel necessary to offer the services to be

1 provided. The Company is in start-up mode and has not yet started to provided services.
2 In addition to its financial statements, WiMacTel provided the consolidated, confidential
3 financial states of its parent company, Quortech Equitites. WiMacTel has access to
4 financial resources from Quortech Equities if needed. WiMacTel has requested, and the
5 Hearing Examiner has ordered that QuorTech's financial information be considered
6 confidential because it contains proprietary business information.

7
8 **Q. Do you believe WiMacTel is capable of delivering its proposed services in South**
9 **Carolina?**

10 A. Yes I do. The company provided resumes of our key management employees in our
11 original application filed with this proceeding. As can be seen our management team has
12 extensive history in the telecommunications industry, especially as it relates to pay
13 telephone operations and the handling of alternative operator services. We believe that
14 our employment history and industry experience will provide a comprehensive service
15 offering for both the aggregator location providers and their End Users.

16
17 **Q. Where in South Carolina does WiMacTel intend to offer its services and how will**
18 **those services be offered?**

19 A. The company will offer interexchange long distance service throughout the state.
20 Although we are seeking statewide local authority, we initially plan to offering
21 competitive local exchange services throughout the AT&T service territory. The South
22 Carolina Telephone Coalition ("Coalition") intervened in this docket and we have entered
23 into the standard stipulation with the Coalition in regard to providing service in rural
24 areas. At this juncture, WiMacTel is not asking the Commission to make a determination
25 regarding whether competition is in the public interest for rural areas.

1 **Q. Has your company begun interconnection negotiations with incumbent LECs in**
2 **South Carolina?**

3 A. We have not yet begun interconnection negotiations with the incumbent LECs in South
4 Carolina. We have however been in discussions with Level3 and PaeTec to utilize one, or
5 both, of these carriers as underlying carriers on a national basis.

6
7 **Q. What regulatory treatment is WiMacTel seeking in this application?**

8 A. WiMacTel requests flexible regulation for its telecommunications services such as the
9 Commission granted in Order No. 98-165 in Docket No. 97-467-C. WiMacTel
10 specifically requests that the Commission: (a) adopt for local exchange services a
11 competitive rate structure incorporating maximum rate levels with the flexibility for rate
12 adjustment below the maximum rate levels; and (b) presume that WiMacTel's tariff
13 filings for local exchange services be valid upon filing, subject to the Commission's
14 authority, within thirty (30) days, to institute an investigation of such filings. At the
15 discretion of the Commission such filings may be suspended pending further order of the
16 Commission and any such filings may be subject to the same monitoring process as the
17 Commission applies to other, similarly situated carriers.

18 WiMacTel further requests that its interexchange business services, consumer
19 card services, operator services (except the type of calls capped by Order No. 2001-997
20 dated November 8, 2001), and private line service offerings be regulated pursuant to the
21 procedures described and set forth in Order Nos. 95-1734 and 96-55 in Docket No. 95-
22 661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C. Specifically,
23 WiMacTel requests that the Commission: (a) remove the maximum rate tariff
24 requirements for these services; (b) presume that WiMacTel's tariff filings for these

1 services be valid upon filing unless the Commission institutes an investigation of a
2 particular filing within seven (7) days, in which case the tariff filing will be suspended
3 until further order of the Commission; and (c) grant WiMacTel the same treatment as
4 other carriers who operate under alternative regulation in connection with any future
5 relaxation of the Commission's reporting requirements.

6 Further, WiMacTel commits to abide by all rules and regulations that are deemed
7 applicable to WiMacTel.

8 **Q. Does WiMacTel seek waiver of any regulations?**

9 A. Yes. Pursuant to 26 S.C. Regs. 103-610, WiMacTel does not have an office in South
10 Carolina and, therefore, requests that it be allowed to keep all records required under the
11 rules at its headquarters in the State of Florida. Otherwise, WiMacTel would incur
12 additional expenses to maintain records and reports in an office in South Carolina.
13 WiMacTel will maintain the required records and will make them available to the
14 Commission and ORS upon request.

15 WiMacTel also requests an exemption from any record keeping rules or
16 regulations that might require it to maintain its financial records in conformance with the
17 Uniform System of Accounts ("USOA"). The USOA was developed by the Federal
18 Communications Commission as a means of regulating telecommunications companies
19 subject to rate base regulation. As a competitive carrier, WiMacTel will not be subject to
20 rate base regulation and therefore requests Commission approval of WiMacTel
21 maintaining its books in accordance with Generally Accepted Accounting Principals
22 ("GAAP").

23 Pursuant to 26 S.C. Regs. 103-631, WiMacTel will make arrangements with the

1 incumbent LECs to include the names of any of its end user customers in directories
2 published by the ILECs and to have the directories distributed to its end user customers.

3 WiMacTel also requests waivers of any reporting requirements which, although
4 applicable to incumbent local exchange carriers, are not applicable to competitive carriers
5 such as WiMacTel because such requirements are not consistent with the demands of the
6 competitive market and constitute an undue burden on a competitive carrier.

7 WiMacTel requests a waiver of 26 S.C. Regs. 103-612.2.3, the requirement to file
8 operating maps with the Commission. WiMacTel intends to offer its services statewide.
9 The waivers requested above have been granted under similar situations, and WiMacTel
10 requests that the Commission provide it similar treatment.

11
12 **Q. How will South Carolina consumers benefit from WiMacTel's services?**

13 A. Approval of this application and WiMacTel's proposed tariffs will serve the public
14 interest and offer several benefits to consumers in South Carolina. First and foremost,
15 WiMacTel will offer its Customers the ability to have seamless service for local services
16 as well as intrastate, interstate and international toll services.

17
18 The granting of WiMacTel's application is consistent with the requirements of the
19 Commission in that regard the Company makes the following representations to the
20 Commission:

- 21
22 1. Applicant possesses the technical, financial, and managerial resources sufficient
23 to provide the services requested;
24 2. The provision of local service by Applicant will not adversely impact the
25 availability of affordable local exchange service;
26 3. Applicant's local services will meet the service standards required by the
27 Commission;
28 4. Applicant, to the extent it is required to do so by the Commission, will participate

1 in the support of universally available telephone service at affordable rates; and,

2 5. The provision of local service by Applicant will not adversely impact the public
3 interest.

4
5 WiMacTel's entry into the local market will not disadvantage any telephone service
6 providers. Incumbent LEC's are presently serving most local exchange customers in
7 South Carolina. The history of telecommunications competition has demonstrated that as
8 new entrants improved the price performance of service, consumers benefited from a
9 wider choice of service and options. The resulting reduced rates that competitive
10 pressures brought to the market stimulated demand, resulting in growing revenues for
11 both new entrants and established firms. Therefore, the approval of WiMacTel's
12 application is clearly in the public interest.

13
14 **Q. Does this conclude your testimony?**

15 **A.** Yes it does.

WIMACTEL, Inc. Certification Status

Authorized States	CLEC Certification	Approval Date	IXC Certification	Approval Date
Alabama	Pending		Pending	
Arizona				
Arkansas				
California	Pending		Pending	
Colorado				
Connecticut				
Delaware				
DC				
Florida	Pending		Pending	
Georgia	Pending		Pending	
Idaho				
Illinois	Pending		Pending	
Indiana				
Iowa	Pending		Not Required	
Kansas	Pending		Pending	
Kentucky				
Louisiana	Pending		Pending	
Maine				
Maryland				
Massachusetts	Pending		Pending	
Michigan				
Minnesota	Pending		Pending	
Mississippi				
Missouri	Pending		Pending	
Montana				
Nebraska				
Nevada	Pending		Pending	
New Hampshire				
New Jersey	Pending		Pending	
New Mexico	Pending		Pending	
New York	Pending		Pending	
North Carolina	Pending		Pending	
North Dakota				
Ohio				
Oklahoma	Pending		Pending	
Oregon				
Pennsylvania	Pending		Pending	
Rhode Island				
South Carolina	Pending		Pending	
South Dakota				
Tennessee				
Texas	Pending		Approved	6/24/2010
Utah				
Vermont				
Virginia				
Washington				
West Virginia				
Wisconsin	Pending		Pending	
Wyoming				

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THE PUBLIC SERVICE COMMISSION
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DOCKET NO. 2010-225-C**

Application of WiMacTel, Inc. for a)
Certificate of Public Convenience and)
Necessity to Provide Facilities Based)
Local Exchange and Resold Long)
Distance Telecommunications Services)
and For Flexible Regulation of its)
Local Exchange Services and)
Alternative Regulation of its Long)
Distance Service Offerings)
_____)

CERTIFICATE OF SERVICE

This is to certify that I, Leslie L. Allen, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Testimony of Alvaro Quiros** in the foregoing matter by causing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Shannon Hudson
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

Randall Dong, Hearing Examiner
Public Service Commission
101 Executive Center Drive
Suite 100
Columbia, SC 29210

Margaret M. Fox, Esquire
McNair Law Firm, P.A.
P.O. Box 11390
Columbia, SC 29211

Dated at Columbia, South Carolina this 23rd day of August, 2010.



Leslie L. Allen